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SUBJECT: UN: FIFTH COMMITTEE CONCLUDES CONSIDERATION OF ALL
PEACEKEEPING ISSUES AND BUDGETS FOR 1 JULY 2006 TO 30 JUNE
2007

¶1. Summary. The Fifth Committee considered over 60 reports related to the budgetary, administrative and policy issues for UN peacekeeping at its second resumed 60th session from May 22 to June 30, 2006. By the end of the session, the Committee had agreed to financing resolutions for all 13 active peacekeeping missions (financed under the peacekeeping scale of assessments; two others are financed under the regular budget), three closed peacekeeping missions, the UN Logistics Base in Brindisi, and the Support Account. The Committee also considered reports of the Board of Auditors and OIOS and addressed a number of critical management issues in its second annual cross-cutting resolution, applicable to all peacekeeping operations and activities. In advance of and throughout the second resumed session, USdel engaged in extensive coordination with the EU and JUSCANZ on common objectives and strategies for UN peacekeeping. This strong coordination and common approach in the Fifth Committee resulted in, among other things, the adoption of the action-oriented cross-cutting resolution, which addressed key management issues for all missions and for the Department of Peacekeeping Operations (DPKO). The combined budget appropriation for all activities for the period 1 June 2006 to 30 June 2007 is approximately \$4.7 billion. This accounts for the following budgets: UNOMIG, UNDOF, MINURSO, UNFICYP, ONUB (commitment authority pending the submission of its full budget at the main 61st session), UNIFIL, UNMEE, UNMIK, UNOCI, MINUSTAH, UNMIL, UNMIS, MONUC, the Logistics Base at Brindisi, and the Support Account. A mission-by-mission breakdown of approved budget levels can be found in document A/C.5/60/31. Detailed below are key elements and highlights from the 6-week session. End summary.

Cross-cutting resolution

¶2. Following last year's successful negotiation of a cross-cutting policy resolution applicable to all peacekeeping missions and activities, USdel, with the support of Japan, the EU and CANZ, argued strongly for another cross-cutting resolution to be negotiated this year. The most notable resistance came from the South African delegate, who claimed that no resolution was needed this year given the time pressures in the second resumed session, the absence of a formal ACABQ report on cross-cutting issues, and the consideration of only some of the peacekeeping reports that would be applicable to a cross-cutting resolution. However, the major financial contributors were undeterred by this weak argument and were also able to tap into divisions within the G-77 to garner support for the resolution. With firm assurances from USdel and others that this year's resolution would be short and action-oriented, the pressure was too great for South Africa to continue to oppose the negotiation of such a resolution. However, the South African and Nigerian delegations' procedural obstructions throughout most of the session meant that the Committee was only able to

seriously consider the draft resolution in the final week of negotiations.

13. Despite these obstacles, the resolution was successfully concluded and contained critical policy and management elements identified by the US, Japan, CANZ and the EU. The full text of the 7-page resolution is contained in A/C.5/60/L.60, however, the major elements/sections (and key highlights) are briefly described below:

1A. Budget presentation: The Committee requested the Secretary-General (SG) to continue his review of staffing

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requirements to reflect evolving mandates of each mission. The SG was also requested to submit more detailed and current information, to the extent possible, on monthly expenditures.

The SG was further requested to review the practice of seconding staff from one mission to another for extended periods of time, with a view to ensuring that the parent mission is not adversely affected.

1B. Use of consultants

1C. High vacancy rates

1D. Accountability, fraud, corruption, mismanagement and conflict of interest: Among other things, the Committee requested the SG to address all cases of fraud, corruption, mismanagement, and misconduct; to ensure that all UN staff are held accountable for any proven wrongdoings; to take all necessary steps to recover financial and other losses; to take preventative measures to stop future incidents; to ensure that accountability is applied and enforced impartially at all levels in the UN system; and to ensure that lessons learned from fraud and presumptive fraud in peacekeeping missions are shared systematically with all missions.

1E. Integrated missions: The SG was requested to continue to refine the concept and functioning of integrated missions, strengthen the mission planning process, and clearly detail lines of responsibility and accountability within integrated missions.

1F. Procurement opportunities

1G. Quick-impact projects (QIPs): the Committee emphasized the need for a comprehensive policy, including on resource allocations, and requested the SG to report back at the 61st GA addressing the definition of QIPs, their selection process, duration of projects, and how they complement and can be integrated with the activities of other UN entities on the ground.

1H. Regional cooperation: The Committee emphasized the importance of further enhancing collaboration between missions in the same region, with a view to achieving greater synergy in the effective and efficient use of peacekeeping resources. It also requested the SG to develop and implement regional coordination plans aligned to the missions' objectives.

1I. Fuel management: Taking into account the considerable expenditures on fuel and the prospects for fuel fraud in missions, the Committee requested the SG to review all aspects of fuel management, including the preparation of a comprehensive fuel management manual, implementation of the electronic fuel accounting system, development of standard operating procedures on fuel, and preparation of an annual fuel procurement plan.

1J. Costing structure for air operations: Among other things, the Committee requested the SG to review the ongoing necessity and frequency of flights, to ensure the optimal use

of air assets, to reconfigure them to respond to the changing circumstances, and to achieve better utilization of air assets by reviewing flight schedules to accommodate more passengers and cargo.

¶K. Spare parts: The Committee encouraged the SG to continue to limit the acquisition of spare parts pending a study on optimal levels for holdings, as well as to report back on the possible establishment of a global management system of spare parts to ensure their most efficient and effective utilization.

¶L. Better use of technology: The SG was requested to make greater use of videoconferencing and e-learning facilities for training and other purposes and to report at the 61st session on improvements and efficiencies made in this regard.

¶M. Staffing of field missions (300/100 series)

¶N. Disaster recovery

¶O. Strategic deployment stocks

Support Account

¶4. In keeping with past practice, negotiations on the Support Account proved to be one of the more contentious elements of the session. USdel successfully proposed and negotiated language addressing the sharp increase in the requests for consultancies (which have been made in addition to the provision of additional posts under the Support Account in recent years). As a result, future budget proposals will include a trend analysis of the requested level of resources for consultancies compared with approved levels over the past five years, as well as detailed supplementary information on justification for the request and why expertise is not available within the Organization. In a separate policy issue, USdel got language in the resolution requesting the SG to report back on support to capacity-building for the African Union (in compliance with the World Summit Outcome Document), taking into account the functions and contributions to be provided by the UN, its funds, programs and agencies and all external partners, including on the efforts made to avoid duplication and overlap.

¶5. The Committee accepted the Advisory Committee on Administrative and Budgetary Questions (ACABQ) recommendations on post, general temporary assistance (GTA), and non-post resources with the following exceptions:

-- Approval of eight posts for the following functions:
Senior Political Affairs Officer for MINUSTAH; Policy

Coordinator for the Peacekeeping Best Practices Section;
Secretariat Services Officer for the Fifth Committee;

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Information Officer and Finance Analysts in support of African Peacekeeping Capacity; Chief of the Integrated Training Service (to be evaluated in the 2007-2008 budget); Chief of the Transport and Movement Service (to be offset through abolition of another post in the section); Environmental Engineer (to be rejustified in the 2007-2008 budget).

-- The Committee did not approve an additional Security Coordinator Officer post, but requested that it be rejustified in the 2007-2008 budget.

-- Approval of \$27 million in GTA and non-post resources to meet critical functions in the following areas: African Peacekeeping Capacity; Office of Internal Oversight Services; Procurement Service; Headquarters Committee on Contracts;

procurement-related functions in the Office of Legal Affairs and DPKO; Conduct and Discipline.

-- The Committee reduced the provision for consultancy by \$154,200.

¶16. Following strong justification by the Secretariat, there was general agreement among delegations on the need to provide the posts and functions listed above, however, negotiations were derailed over the provisioning of GTA to meet critical needs in the area of conduct and discipline. Comment: The Committee deliberated whether to provide GTA to fill the functions needed in the Conduct and Discipline Unit, given that the actual posts were unable to be approved at this stage due to the late issuance of the SG's policy report on conduct and discipline. The GA is expected to consider the report at the 61st GA, at which time it will consider the approval of posts at headquarters and in individual missions. End comment.

¶17. USdel took the firm position that the full amount of GTA must be provided to meet the critical functions of the nine headquarters posts requested by the SG to address conduct and discipline. However, this was consistently blocked by the Nigerian delegate, who argued that GTA be provided at the 2005-2006 maintenance level. In effect, this would have limited the UN's ability to address the continuing problem and rising number of cases related to conduct and discipline.

While the Nigerian delegate refused to negotiate directly with USdel and would only negotiate through the Egyptian delegate, it was widely believed that her position was predicated on her concern that a Nigerian national (the current P-5 head of the unit) would not/not be appointed to the proposed D-1 level of head of the unit. As such, her position was to block any new provision to meet the necessary functions of the unit. Following days of unwavering positions from USdel and the Nigerian delegate, an agreement was reached to provide the full amount of GTA without referring to the number and level of posts for which the GTA would be provided. In a twist of irony, the agreement -- which was largely brokered by the Egyptian delegate -- provides considerable flexibility for the SG to apply the GTA funds as he chooses. Before agreeing to this approach, USdel received strong and clear assurances from DPKO Assistant-Secretary-General Jane Holl Lute that the functions corresponding to the nine posts sought by the SG for Conduct and Discipline would receive priority attention, would be advertised as soon as the GA adopted the resolution in plenary, and would be filled at the levels specified in the SG's proposed budget.

UN Logistics Base in Brindisi

¶18. The Committee reiterated its request that information on the possible expansion of the base -- including a concept of operations, financial and legal implications and any expected benefits -- be submitted to the GA for its consideration at the 61st session. Also requested for the 61st session, was detailed information on the efficiency and effectiveness of all DPKO training programs to be implemented through the newly-formed Integrated Training Service at UNLB and a preliminary assessment of the regional aviation safety office pilot project.

Peacekeeping Mission Budgets

¶19. By and large, the Committee concurred with the conclusions and recommendations of the ACABQ with respect to individual peacekeeping mission budgets for 2006-2007. Absent GA consideration of the SG's policy report on conduct and

discipline functions, the Committee was not in a position to

endorse the creation of conduct and discipline posts in individual missions (as recommended by ACABQ for some missions) but did provide the equivalent level of GTA to ensure that the functions are filled until the GA considers the policy report at its 61st session. Listed below are mission-specific departures from or additions to the recommendations of the ACABQ.

¶10. UNOCI (Cote d'Ivoire): While approving the resources sought for quick-impact projects (QIPs), the Committee requested the SG to ensure that QIPs are implemented in compliance with the original intent of such projects and relevant GA resolutions, and to ensure their full implementation in the 2006-2007 financial period.

¶11. UNFICYP (Cyprus): The Committee requested the SG, in view of the recent amendment of the concept of operations and force level of the Force, to conduct a review of the number and grade levels of support staff, including the possibility of utilizing UN Volunteers, and to report thereon in the context of the proposed budget for 2007-2008.

¶12. MONUC (Congo): The Committee emphasized the importance of ensuring coordination and collaboration of efforts with the agencies and programs and requested the SG to report to the GA on measures taken, including on the progress made on the development of an integrated workplan and coordination network referred to in paragraph 54 of the report of the ACABQ (A/60/669). It also requested the SG to ensure that the recommendations of the consultant's report on the comprehensive review of staffing and structure of the Mission be fully analyzed by the Mission itself and that its results be reflected in the budget for 2007-2008. With respect to QIPs, the Committee approved the proposed resources and requested the SG to ensure that they were implemented in compliance with the original intent of QIPs, and that they be fully implemented in the 2006-2007 financial period. It also recommended that the SG review the administrative support structure for QIPs with a view to minimizing overhead costs (comment: MONUC and UNMIL are the only two missions that have posts specifically for the implementation of QIPs).

¶13. MINUSTAH (Haiti): In light of the delayed implementation of the disarmament, demobilization and reintegration (DDR) program in Haiti and the continuing need for clarification on the mission's role in DDR activities, the Committee requested the SG to ensure that future budget submissions include clear information regarding mandated DDR activities, clear justification for post and non-post resource requirements and their projected impact on delivery of DDR, and information on collaboration with all relevant UN entities present in the field and acting in this area. The Committee also called for the SG to review the use of consultants for DDR in light of the number of dedicated staff in the DDR section, as well as to ensure the coordination and collaboration of efforts with agencies, funds and programs, with clear definition in future budget submissions of their respective roles and responsibilities. As was the case in other missions with QIPs funding, the SG was requested to ensure that QIPs in MINUSTAH are in compliance with the original intent of the projects and that they be fully implemented in 2006-2007. The Committee also engaged in a lengthy discussion of the proposed off-site, in-theater secondary disaster recovery and business continuity center. At present, MINUSTAH has established its off-site location in Santo Domingo in the same building as INSTRAW. Comment: It was likely that only because of the co-location with INSTRAW -- a program which has long been a contentious issue for Member States -- that the Committee even became aware of the facility and entered into a policy debate on backup facilities. End comment. As a result of this discussion, the Committee noted that full information for the need to establish such a facility for MINUSTAH has yet to be provided and, as such, comprehensive and detailed information should be provided in the context of the 2007-2008 budget. Similar language was included in the cross-cutting resolution since the budgeting for back-up facilities is applicable to nearly all missions. Finally, the Committee requested the SG to ensure that future budget

submissions include full justification of the rationale for the number of interpreters required for the efficient functioning of the mission to meet its mandate, and to rejustify the need for administrative posts in support of interpreters.

¶14. UNMIL (Liberia): As it did with other large missions, the Committee emphasized the importance of ensuring coordination and collaboration of efforts with the agencies and programs and implementation of a unified workplan, and requested the SG to report back on measures taken and progress made, and to provide clear descriptions of respective roles and responsibilities in future budget submissions. Here too, the

Committee agreed to the provision for QIPs and called for their implementation in 2006-2007 in compliance with the original intent of the activity; it also requested the SG to review the administrative overhead costs associated with QIPs with a view to minimizing them. Finally, in light of expenditure patterns, the Committee reduced the operational costs by \$1,000,000.

¶15. UNAMSIL (Sierra Leone): The Committee adopted a short, procedural resolution with regard to UNAMSIL, which is now a closed mission. However, USdel was successful in getting language included in which the Committee noted with concern the cases of fraud and presumptive fraud identified by the Mission (and reported by the Board of Auditors), and requested the SG to report to the GA at its 61st session on these matters, including on investigations and actions taken in proven cases, and efforts to recover any lost funds.

¶16. UNMIS (Sudan): Despite its large size and considerable logistical challenges, USdel and others were once again pleased with efforts made by the mission to find alternative modes of transport in lieu of air transport, as well as the mission's commendable efforts to integrate its work with other relevant actors in the country. As such, the Committee noted with appreciation the strong coordination between UNMIS and the UN country team, and requested the SG to share the mission's experiences and lessons learned with other complex peacekeeping missions with a view to increasing their coordination and reducing potential duplication of activities with other entities. It further requested the SG to continue to provide the latest available information on specific management efficiencies achieved and future plans in this regard. With regard to staffing, the Committee requested the SG to intensify his efforts to reduce the vacancy rate and to continue his efforts to recruit local staff, where appropriate. Following additional justification from the Secretariat, the Committee decided to establish a Planning

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Officer post in the Strategic Planning Unit, while emphasizing the critical need to coordinate and collaborate with partners in the field. It also requested that clear information be included in future budgets regarding the provision of mine detection and clearing services. USdel successfully included language noting the considerable reliance on air assets and, bearing in mind the expected lifetime of the mission, requesting the SG to utilize (and where possible) increase the available road, rail and inland waterway transport modes and to report back on any efficiencies achieved in this regard. USdel also got language agreed requesting the SG to increase the utilization of information and communication technology tools wherever it is possible and creates more efficiencies. Again, the Committee agreed to the provision of QIPs, while calling for their implementation in line with the original intent of QIPs. Finally, the Committee requested further refinement in the presentation of DDR requirements in future budgets, with clear delineation of the responsibility of the mission as compared with the responsibility of other actors.

¶17. MINURSO (Western Sahara): The Committee requested the SG to report in the next performance report any savings or

efficiencies resulting from the military operational audit conducted in June 2005.

¶18. UNIFIL (Lebanon): As has been the case since 1996, the Committee voted on the draft resolution submitted by South Africa on behalf of the G-77. While the Group's text contained the same objectionable paragraphs in years past (preambular 4 and operatives 4, 5, and 17), this year's draft included language negotiated by the Committee noting with great concern the report fuel and rations fraud, recognizing that the investigation by the OIOS is still ongoing, and requesting the SG to report in the next budget on the status of recovery of the financial loss, if any, to the mission. Prior to the adoption of the resolution in the Fifth Committee, the United States and Israel requested a recorded vote on preambular paragraph 4 and operative paragraphs 4, 5, and 17, as well as a recorded vote on the resolution as a whole. In the Fifth Committee, the result of the paragraph vote was 93 yes; 5 no (Australia, Canada, Israel, Palau, US); 49 abstain. On the resolution as a whole, the outcome was 144 yes; 3 no (Israel, Palau, US); 1 abstain (Australia). In the GA plenary, the outcome of the vote on the paragraphs was as follows: 99 yes; 6 no (Australia, Canada, Israel, Palau, Papua New Guinea, US); 49 abstain. On the resolution as a whole the outcome was: 150 yes, 3 no (Israel, Palau, US); 1 abstain (Australia). USdel delivered the following explanation of vote, after the vote in the Fifth Committee:

Thank you Mr. Chairman,

The United States strongly supports UNIFIL, which is implementing an important mandate. However, the use of
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General Assembly funding resolutions to pursue claims against a Member States procedurally is not correct. This is the reason why we have opposed the General Assembly resolution on this item in previous years, since they required Israel to pay for costs stemming from the Q'ana incident of 1996. These resolutions were not consensus resolutions.

Since shortly after the UN's inception, the procedure which has been followed is that the Secretary-General presents and pursues the settlement of the Organization's claims against a state or states. Using a funding resolution to legislate a settlement is inappropriate. It also politicizes the work of the GA's Fifth Committee, and should be avoided both now and in the future.

Thank you, Mr. Chairman.

End explanation of vote.

Next Steps

¶19. The Fifth Committee is expected to revert to the consideration of peacekeeping issues at the main 61st session. Among the items to be considered are the 2006-2007 budget for ONUB (Burundi), possible revised budgets for MINUSTAH, UNMEE, UNOCI and UNMIS, and a range of policy reports including the SG's reports on conduct and discipline, DDR, and the methodology for troop reimbursements.
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